

Team Rewards and Recognition Guidelines

Guidelines for planning project teambuilding and celebration events, and setting up reward and recognition mechanisms. It includes:

- Suggested characteristics of sound and thorough rewards and recognition programs
- Ideas for key types of rewards and recognition to consider, as well as team “hoopla”—celebrations and spirit-building
- A detailed example of how one team used a brainstorming meeting to identify what was needed to keep their teams happy, and develop recommendations for Management.

Project managers and teams are naturally pre-occupied with planning the project work and deliverables during the planning phase. Including team recognition and celebration planning as a formal part of the early planning process ensures that these important activities won't get neglected during the heat of the project. It also gives the project manager a chance to allocate time in the schedule and include any required funds in the approved project budget.

1. During the Planning phase, plan ahead for rewards, recognition, and team-building “Hoopla” activities. Set expectations and allocate time in the schedule. Even small or part-time projects can and should use these standard tools to reward and recognize the team.
2. As the team works together early on, start getting to know your team members well enough to predict what kinds of rewards and recognition will be most meaningful and enjoyable.
3. To determine how much you can spend and what approvals are necessary, see the Project Sponsor and get money allocated in the budget as necessary.
4. Consider the following as elements of the project's rewards and recognition:
 - **Plan for “hoopla” during the project to build team spirit.** See page 2 for a definition of hoopla and ideas for creating it.
 - **Plan for celebratory events at major milestones,** like the Phase 2 exit, passing of chicken tests, release to Alpha.
 - **Plan ways to reward individuals for outstanding contributions.** Plan ways to recognize the teams' and individual's accomplishments by making the rest of the company aware of them.

- **Pay attention to the team as a whole, not just rewarding individuals.**
Plan rewards, recognition, and celebrations, and team-building for the group.
5. When planning any team outings, since it is sometimes hard to find an activity or food that everyone likes, plan lots of different outings to hit everyone's tastes.

Project Team Rewards, Recognition, and Hoopla

Principles for Sound and Thorough Rewards, Recognition, and Hoopla

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Why rewards, recognition, and hoopla? It's important that people feel treated like real human beings and not merely cogs in a wheel. It's the only way to keep their interest level and motivation high.

People sometimes feel that the only reward people can realistically hope for at their companies is to get to work on another project—a project which is already behind schedule before even getting started. People do not thrive or excel in the long run in such environments.

Surveys have shown that people's biggest motivation in the long run is not necessarily money, but professional respect, development, and recognition. Teams must make use of all kinds of rewards and recognition to make team members fulfilled and happy on even the most challenging project.

Although sometimes team members can feel silly about celebrations and team spirit-building approaches, "hoopla" can contribute greatly to the attitudes and productivity of a team. **Hoopla refers to any means by which the team creates a shared positive identity or celebrates successes together.**

Members must also be rewarded commensurably with, or in accordance with, their individual efforts. Be sure to fairly acknowledge the contributions of each individual, and in the process you'll highlight and reinforce the desirable team member performance.

Here are several principles of sound rewards and recognition for project teams, along with examples of how some teams have used them.

Give recognition at major milestones and other significant events.

Recognize the team for their *specific* achievements at major points in the project. True recognition is not just a bland "they met the alpha start milestone," but a personalized acknowledgment of the tangible achievements and the odds overcome. Often even small (but personal) tokens of acknowledgement and appreciation go a long, long way.

Examples:

- At a communications company, the software team gave demonstrations of important technology as prototypes were demonstrated. The Project Leader invited top executives in the company to those demonstrations. To everyone's surprise, the President came to every one. The team knew they were doing something important.
- One company developed the recognition culture of mentioning people's accomplishments individually in status emails. The email list went not only to team members, but also to "interested parties" in the company. In this same company, whenever a new product shipped, the Product Manager sent a company-wide email alerting everyone as to the achievement, and thanking team members by name.

Reward and recognize the team as a whole, individuals, and others, including personnel reviews.

If you want a team to perform, reward them for being part of the team. Also reward individuals for taking responsibility and contributing to a project's success. Ensure that the Project Manager is rewarded for performance in their role.

Be sure to recognize the contributions of individuals, teams, and others:

- *Individual recognition:* This is what companies are usually best at: rewarding and recognizing individual efforts and achievements.
- *Team recognition:* This often requires a powerful shift in culture, requiring executives and managers to explicitly recognize the results a team produced together.
- *Others:* Don't forget those people who faithfully supported the core team: the Project Champion, part-time support personnel, and anyone else who may have helped. Recognizing those people helps the overall QRPD company culture evolve. When you reward non-core team members, and thereby encourage them to participate synergistically, you remove one of the typical obstacles to implementing improved product development—lack of effective participation from outside Development.
- *Performance appraisals:* When a team member's performance review is approaching, have the Project Manager fill out a simple appraisal of how the team member performed on the project, review it with the team member, then pass it along to the functional manager. When it's time for the Project Leader's appraisal, have the team members do likewise. (This can and should be only a 5-10 minute process for each team member.) At the end of the project, evaluate everyone.

Give bonuses based on project and product [project deliverable] success.

Look for ways to tie rewards to project and product [or any main project deliverable] results.

Examples:

- A computer manufacturer gave a \$1500 cash bonus to each team member when the ship date was met.
- A telecommunications company set up a bonus incentive of \$4000 if the project was a month early, \$3000 each if it completed on time, \$2000 if only a month late. The team secretly worked to a schedule that would let them complete a month early, so they could make that maximum bonus. They drove hard, and ended up being a month behind their clandestine aggressive schedule—meaning they finished and started shipping to customers right on time.
- A computer manufacturer gave each team member a \$1000 travel voucher at the end of a successful project. Their in-house travel agency arranged for 8 exciting trip destinations, and worked out heavily discounted package prices so that the \$1000 could buy each family a significant trip.
- An entire team of 27 people at a Silicon Valley company finished a custom multi-media integrated circuit. The company sent them to Disneyland for the day—flew them down, paid for meals, and provided tickets. Sounds extravagant, but when you do the math, you discover that it only cost about \$5000, on a project with a late cost per week of \$100,000!
- A web team received an extra bonus when the business's web traffic crossed a threshold goal, a target that everyone's work on a major release contributed to achieving.

Use Management by Objectives (MBO) as a basis for rewards.

MBO is a system of performance measurement whereby employees set their own goals, one quarter at a time, creating a sense of empowerment. These goals then get mutually agreed upon with their manager. This system is based on a quarterly score of 0 to 100 points maximum and can quite powerfully be linked to project performance.

Pioneered for use as a form of self-appraisal in the 1960s, it grew out of favor by the 1980s because it had the unfortunate consequence of creating excessive competition among individuals on a project team. Each would excel only to achieve their own score, often at the expense of the whole team's performance. Many companies have now remedied this by setting half of the 100 points based on the whole team's performance, and half on the individual's performance.

Give special recognition for going the extra mile, beating milestones, saving costs.

Don't take super efforts for granted—that's a recipe for declining contributions. Don't even take little special efforts for granted—they add up. For example, an IC design company holds monthly "all-hands" meetings, at which individuals are recognized for super efforts to meet particular deadlines, volunteering for unassigned tasks, etc. They get Post-it note pads personalized with their names, gift certificates to the next Macy's sale, and dinners for two at a nice restaurant.

Use rituals and celebrations.

As in religion, shared rituals strengthen bonds among a group of people. Project teams often create standard rituals and celebrations, such as Thursday bagel day, or a half-day off at the movies each time a major milestone is achieved.

Examples:

- Plan periodic team lunches or outings. And since it is sometimes hard to find an activity or food that everyone likes, plan lots of different outings to hit everyone's tastes. Plan these activities during phase I of the project, so that the time is allocated and the team has time to generate good ideas.
- Have a team lunch at the end of each phase, and be sure to invite those "unseen" part-time members who might otherwise not feel enough part of the team.
- Play team laser tag or some other active outing that gets team members interacting and even blowing off steam in a fun environment.
- Take the entire team to a "brew it yourself" beer brewery. Then throughout the project, as key milestones are hit, the team can brew the next batch. For example, one team brewed several batches, including "Beta Brew," "Alpha Ale," "Production Pilsner." The team can even make a custom label for the beer. This team had an incredible sense of spirit and had a great deal of fun as they accomplished their intense company mission.
- Other ideas for outings: a night at the Comedy Club or jazz concerts, a trip to the aquarium with families in tow, team shirts with a designated "wear it" day, trips to horse racing events, and so on.

The above activities might seem to some like a frivolous waste of good work time. They are actually worth their weight in gold. The synergy they create actually improves a team's productivity, enables them to meet those time-to-market goals, and ultimately produces a high return on the development investment.

Minimize alienating others as much as possible.

After a successful project completion, company executives took out a full-page ad in the Wall Street Journal to celebrate and recognize the accomplishment. The problem?

They put the names and pictures of only the three project leaders. The team received no mention. Guess who probably had a little less energy to perform the next time around.

Note that it may be impossible to avoid alienating someone. Do your best to take others into account, but don't use a fear of alienating someone as an excuse for not rewarding at all.

[End of excerpt]

Summary List: Rewards, Recognition, and Hoopla Ideas

Hoopla and Recognition Ideas

Use these types of approaches to acknowledge and create positive team energy around accomplishments.

- **Voice mail broadcasts to the team:** Do these fairly frequently to compliment specific achievements by individuals and the team.
- **Email newswashes:** Send to team and interested parties, such as executives. Do this for special project events such as achieving critical milestones, passing a customer acceptance, overcoming a major risk, or passing a major prototype demonstration.
- **Demos of important technical accomplishments:** Invite Directors, Vice-presidents, etc. to demonstrations of key project achievements, such as passing specific high-risk tests.
- **Monthly acknowledgments:** Once a month, give an award to someone on the team, for example, Product Developer of the Month. Get widespread recognition for the awards: a notice in the internal newsletter, announcements in department meetings. Make sure there is cross-functional awareness. Or simply hold regular "all hands" meetings where accomplishments of the last period are highlighted and perhaps one of the other reward types below given as well.

Hoopla/Celebration/Team-building

Use these ideas to get the team or sub-groups of the team together in more relaxed settings and build the team's identity.

- **Team lunches:** Bring in lunch just to do it, because the team deserves it. Get executives to come and answer questions, acknowledge the team.
- **Special informal outings:** NOTE: Be prepared to let sub-sets of the team select different outings. The larger your team, the harder it will be to find one outing that everyone thinks is fun. Brew beer together; go to the movies or a comedy club or a concert; play pool or Laser Quest...

- **More elaborate outings:** Create a special outing for the team or multiple teams, i.e., rent a local museum space or aquarium, cater food, invite team members and their families.
- **Team identity-building:** Make team coffee cups or T-shirts, cubicle signs, whatever fits your culture. Although some people think they're silly or useless, in some companies this level of acknowledgment of the team as an important entity can be positive.

Individual reward and recognition ideas:

Use these items to recognize people unexpectedly anytime during the project, provide them a small token of appreciation while showing that their work is being noticed. Some of these can even be allowed as individuals recognizing each other for assistance, going the extra mile, etc. Some teams make gift certificates available as a peer recognition approach that needs no approval.

- **Dinner out:** "Take your significant other to a very nice dinner and bring me the bill."
- **Unexpected time off:** "Take the day and get a long weekend to recharge."
- **Coupons, certificates:** Provide meaningful discount coupons to local stores, e.g. a \$20 voucher to use on iTunes.

Professional Development Reward Ideas

Many people are most motivated by career progress and learning.

- **Trips to educational events:** Schedule in time for people to go to key conferences or courses—so they won't be disappointed that yet again they can't go off to a conference in their functional area because the schedule is too tight. Reward project contributors with the slots to go.
- **Educational goodies:** Provide gift certificates for books or other educational materials of interest as rewards for meeting dates, solving key problems, helping a colleague.
- **Acknowledge contributions for recognition at review time:** Show team members up front how their project contributions will be noted and communicated to their functional managers. Then copy them when you do it during the project.
- **Career growth opportunities:** Work with executives to document potential career and responsibility growth, especially for those who want to pursue a professional project manager path. Show that the work and challenges of the PM job have an upside in terms of longer-term career growth, salary growth, and responsibility in the company. The same holds for team members—are there areas where functional departments could contribute to team members'?

sense of how they are growing their career options through their work on the project?

Larger Reward Outings

For significant project results and completion rewards:

- **Team trip to special place:** Budget to do something nice at the end of the project.
- **Cash or stock bonuses:** Put them in place early with targets understood.
- **Reward of money for a family trip:** Reward everyone affected by the project work!

Example of a Company's Project Managers' Recommendations on Rewards and Recognition

This final section provides an example of one company's approach for overhauling their reward and recognition approaches. It includes the background; how they quickly collected ideas for improving team's feelings about rewards and recognition; and actions the project managers took to turn the ideas into reality.

Background: This particular company had minted about 35 new project managers within one year! Many of them had never planned to be in this role; they were new and starting with varying degrees of training. The company was executing an aggressive portfolio of projects (over 50 desired projects on the list, at least 15 active at any one time.)

At a time of particularly intense scheduled and normal issues such as customer changes and resource constraints, morale among the teams was starting to be impacted. The Project Managers believed that the company executives were just so focused on the business goals (very important goals with obvious benefits to the company), that they had lost site of teams' and individuals needs to still be recognized for their hard work and results. The executives were demanding, but were also open to making sure enough rewards and recognition were deployed to support the teams.

Step 1. Called a Brainstorming Meeting

The project managers typically met for lunch monthly. They decided to hold a brainstorming session on rewards and recognition, to capture good ideas from the various teams, and to also come up with a recommendation for the executives about additional budget or permissions or actions needed.

Step 2. Aired the issues

The meeting started with getting the issues on the table, frankly spoken! One attendee acted as informal recorder and got the items down in the plainspoken language of the group.

Issues stated by the gathered project managers:

1. Some Project Managers do not enjoy the job. They do not even want to be a Project Leader; are just doing it because the company asked.
2. Some Project Managers feel the job is not worth it. Related issues: resource constraints, aggressive schedule timelines, no down time between projects, perception that job is under-appreciated. Why bother?
3. Even those who do love the job and are handling the stress can feel taken for granted, it has become business as usual to be 'super heroes' to meet the company's goals. Tired of being super heroes with little appreciation on the other side.

Step 3. Brainstormed Recommendations for Possible Rewards, Recognition, and Hoopla

Based on the above problems, the group of PMs came up with the following items for attention.

1. **Identify those who do not want to be project managers and find ways to improve the situation.** Do we have other options to lead those projects? Are there rewarding technical side-tasks or any project support for the project managers that could make the job more palatable?
2. **Find genuine ways to express upper management's appreciation of project managers.** "Still seen as a part-time job to be project manager, should only take 10% of your time, difficulty not appreciated," etc.
3. **Have Executive (VP of Development) speak to the project managers once a month.** They like it and they like to have time to ask questions of the people in charge. They might even like time to talk with him on remaining problems and possible solutions. Being in the loop seems to matter and help lower the stress around issues.
4. **Make sure good work gets some publicity.** If overall a project has some problems, sometimes no public praise happens because the project wasn't perfect. Find ways to give particular deserving accomplishments some public recognition. (e.g., "Project X team took great strides forward in managing an outsource developer well.")
5. **Provide budget, and help project managers make time for, going off to technical or management class or conferences—at least one per year.** They are interested but think they can't afford the time. This will provide something beneficial professionally, a means of getting charged up again through peer contact, and a benefit perceived as "special" for project managers.
6. **Make sure adequate budget allowed for team celebrations and team building activities and rewards like trips at the end of projects, and ensure teams have/take the time to participate in these events.** The complaints are

still there: people are too busy to come to the team events, there's no down time between projects, etc.

7. **Ensure there is a promotion path for those who do care about being “professional project managers.”** We've seen at least a mention of such a path in a draft career track document last year; is it real here, and are people aware?
8. **Make sure the company does some great parties and team events.** Silicon Valley sets the standard for working people hard but also rewarding them well. People don't forget thank-yous like flying the project team to Disneyland for the day, renting the Monterey Bay aquarium for a dress-up company party with food and bands, end-of-project \$1000 travel vouchers for use on a choice of discounted vacations... “Someone went to some trouble to do something nice for me.” These things are worth the investment.
9. **“Take the spouse out to dinner or away for the weekend and bring me the bill”** as an acknowledgment of hard work and sacrifices. Is this happening enough now?
10. **Provide more resources explicitly meant to aid project managers.** For instance, they expressed high interest in the PM Support Group setting up a group of management books, videos, and CD-ROMs they could access to help them with their work.

Step 4. Set actions for after the meeting:

The PMs identified and assigned the following actions to various attendees.

1. Take the recommendations to the VP of Development and Director of the Project Management Support Group (PMSG).
2. Work on a standard annual budget worksheet for the PMSG that includes money amounts for standard rewards and recognition opportunities. This worksheet can then be used by project managers to plan rewards and recognition at the beginning of each project.
3. Add a deliverable to our Planning phase that is “Plan ahead for rewards and recognition.” The goal is to remind project managers that this is a set they should include in their planning work, and ensure budget and time are included for various team recognition and reward activities. Pete to update the document for this item.

In the end:

- The actions above were all accomplished.
- Ideas for rewards and recognition that had been sporadically used, and inconsistently used across teams, became more typical across projects.

- Management became more sensitive to the need for teams to have leeway to do internal rewards, and for them to acknowledge the project management group and individuals.
- It was still, however, up to the Project Manager of each team to make sure the ideas got planned, scheduled, and executed on each project.

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